

2055. The plan also would extend Medicare solvency from the year 2008 to 2020.

In addition, the budget includes a \$500 billion tax cut to promote savings among ordinary Americans in new "USA accounts." That is way more than a tax cut; it is a way to help all Americans invest in the private sector and share in the benefits of economic growth.

These priorities—saving Social Security, strengthening Medicare, and cutting taxes for retirement—are all designed to increase savings, and that is essential. After all, while we have a unified surplus today, our public debt—that debt owed outside our Government—is still \$3.7 trillion. That is the debt owed to the public. We will also face huge unfunded liabilities when the baby boomers begin to retire.

We need to prepare for that future, and that is why it is important that we pay off our debts, reduce interest costs, and increase private investment. Federal Reserve Board Chairman Alan Greenspan testified that that is the best way to promote long-term economic growth. And it is the only way to ensure that when the baby boomers retire we will be able to meet our obligations.

Beyond devoting most of the budget surpluses for savings, President Clinton's budget also includes some important investments in our future. All are fully offset as required by budget rules and therefore protect the budget caps.

Perhaps most importantly, the budget makes a strong commitment to quality education. It would help modernize our schools, hire more teachers, reduce class size, and improve educational standards. Together these initiatives would help ensure that Americans are equipped to compete in the global economy. Everyone is aware that this century, the 20th century, has been defined as the American century because of the progress that we made. After winning two World Wars and having engaged in other conflicts that ultimately produced peace, American leadership was at the helm of global economic growth.

The budget also calls for a variety of other targeted tax cuts such as new credits to help families support long-term care and child care. It increases our commitment to our men and women in the military. It was made clear in newspapers across the country in the last few days that we are having significant problems recruiting and retaining those people that we would like to have serve us in the military. So it reflects the President's commitment to strengthen that; possibly to encourage young people to spend some time in the military and to encourage those who have experience and longevity to continue to do the job that they are capable of and not be attracted simply by a momentary better opportunity in the private sector.

The budget also reflects the President's commitment to strengthening

our communities by hiring more police officers, cleaning up our environment, and fighting sprawl. We cannot go into every detail of the budget here today, but overall I think this is an excellent proposal. It is bold, it is innovative, and it has the right priorities for our future.

Unfortunately, I have been disappointed that the response to the President's budget, like other things that happen in Congress, has so far been too partisan. Some Republicans have accused the President of returning to an era of big government. This claim is so preposterous it is difficult to take it seriously when we look at the amounts of moneys being spent on government and see that, relative to the GDP, it is at the lowest point that it has been since 1974. This budget, after all, would reserve almost 90 percent of the surpluses for debt reduction. It would be hard to get more fiscally responsible.

I respect the views of my Republican colleagues who have honest disagreements with the President. I hope we can work together on this budget issue. However, I do want to express my strong opposition to one element of the Republican's budget plan, and that is their proposal for cuts across the board in tax rates.

I want to emphasize that I strongly support tax relief for ordinary Americans. In particular, I support the \$500-plus billion in tax cuts for savings that are included in the President's budget for ordinary Americans. Unfortunately, the Republican position is to spend much of the budget surplus for tax rate cuts that go disproportionately to Americans with the highest incomes.

According to one analysis, the Republican proposal would provide more than \$20,000 for those in the top 1 percent of earners who have incomes of more than \$800,000. Just look at the chart. It looks like a fairly ridiculous comparison, but the top 1 percent of those earning \$833,000—those folks are in the top 1 percent; that is not the entire 1 percent—they would get a tax cut of \$20,697, but the person who works hard and is included in the 60 percent of our American wage earners whose incomes are below \$38,000 would get a \$99 tax cut. Mr. President, \$20,000 for the high-income wealthy people, \$99 for the average American; it is not fair and I hope that it will be reconsidered by our friends on the Republican side.

Even worse, these tax breaks for the highest income Americans would come at the direct expense of Medicare. Medicare has become such an important program in our society, such a commitment, that it is valued by Americans across the board. We see its effects on the better health and the longevity that our citizens enjoy and the quality of life they experience in those longer lives in their later years. So it would be wrong to sacrifice some addition to the solvency of Medicare for a tax break across the board that gives someone earning over \$800,000 in a single year a \$20,000-plus tax break.

President Clinton's budget reflects the values and priorities of most Americans, and I hope that many of its proposals will enjoy bipartisan support. The American public loves it when we work in a bipartisan fashion, and I noted that when we got to the balanced budget agreement for fiscal year 1997. We had all kinds of comments—it is a pleasure not to see any bickering, not to see any sharp diatribes, not to see any acerbic discussions; it is a pleasure to see Senators working together on behalf of all Americans.

So this focus for this budget is on the future: saving Social Security, strengthening Medicare, providing tax cuts and promoting savings for ordinary Americans. Together these policies will help ensure a vibrant economy and a secure future for all Americans. So I hope my colleagues will support the President's approach. I look forward to doing what I can to work with them to address the serious fiscal issues facing our Nation and to prepare us for the 21st century, which I think can become the second American century.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Massachusetts.

THE NEED FOR PRESCRIPTION DRUG COVERAGE IN MEDICARE

Mr. KENNEDY. Mr. President, senior citizens deserve coverage of prescription drugs under Medicare, and it is time for Congress to see that they get it.

Medicare is a compact between workers and their government that says, "Work hard, pay into the system when you are young, and we will guarantee health security in your retirement." But that commitment is being broken every day, because Medicare does not cover prescription drugs.

Prescription drug bills eat up a disproportionate share of the income of the typical elderly household. Senior citizens spend three times more of their income on health care than persons under 65, and they account for one-third of all prescription drug expenditures. Yet they make-up only 12 percent of the population.

The greatest gap in Medicare—and the greatest anachronism—is its failure to cover prescription drugs.

Because of this gap and other gaps in Medicare coverage, and the growing cost of the Part B premium, Medicare now pays only 50% of the out-of-pocket medical costs of the elderly. On average, senior citizens now spend almost as much of their income on health care as they did before Medicare was enacted.

Prescription drugs are the single largest out-of-pocket cost to the elderly for health services. The average senior citizen fills an average of eighteen prescriptions a year, and takes four to six prescriptions daily. Many elderly Americans face monthly drug bills of \$100 or more.

When Medicare was enacted in 1965, coverage of prescription drugs in private insurance policies was rare—and Medicare followed that standard practice. Today, 99 percent of employment-based health insurance policies provide prescription drug coverage—99 percent. But Medicare is caught in a 34-year-old time warp—and senior citizens are suffering as a result.

Too many elderly Americans today face a cruel choice between food on the table and the medicine they need to stay healthy or to treat their illnesses. Too many senior citizens often take only half the pills their doctor prescribes, or don't even fill needed prescriptions—because they can't afford the high cost of the drugs. Too often, they are paying twice as much as they should for their prescription drugs, because they are forced to pay full price when those with private insurance policies get the advantage of negotiated discounts. As a result, many senior citizens end up in the hospital—at excessive cost to Medicare—because they aren't obtaining the drugs they need or are not taking them correctly. As we enter the new century, pharmaceutical products are increasingly the source of miracle cures for many dread diseases—and senior citizens will be left even farther behind if we fail to act.

The 21st century may well be the century of life sciences. With the support of the American people, Congress is on the way to the goal of doubling the budget of the National Institutes of Health over the next five years. This investment is seed money for the additional basic research that will enable scientists to develop new therapies to improve and extend the lives of senior citizens and all citizens.

In 1998 alone, private industry spent more than \$21 billion for research on new medicines and to bring them to the public. These miracle drugs save lives—and they save dollars too, by preventing unnecessary hospitalization and expensive surgery. All patients deserve affordable access to these medications. Yet, Medicare, which is the nation's largest insurer, does not cover outpatient prescription drugs, and senior citizens and persons with disabilities pay a heavy daily price for this glaring omission.

America's senior citizens and disabled citizens deserve to benefit from new discoveries in the same way that other families do. Yet, without negotiating power, they receive the brunt of cost-shifting—with often devastating results. In the words of a recent report by Standard & Poor's, "Drugmakers have historically raised prices to private customers to compensate for the discounts they grant to managed care consumers." The so-called "private" customers referred to in this report are largely our nation's mothers, fathers, aunts, uncles, grandmothers, and grandfathers.

Up to 19 million Medicare beneficiaries are forced to fend for themselves when it comes to purchasing

these life-saving and life-improving therapies. They have no prescription drug coverage from any source. Other Medicare beneficiaries have some coverage, but too often it is inadequate, unreliable and unaffordable.

About 6 percent of senior citizens have limited coverage through a Medicare HMO. While the majority of Medicare HMO plans offer prescription drug coverage, the benefits vary widely. Some plans cap the benefit at just \$300 a year or less. Imagine that, \$300 a year or less. In addition, the current trend is for HMOs to cut back on drug coverage or, in extreme cases, leave the Medicare market altogether. We have tried to remedy this problem in Massachusetts, but clearly it is a national problem, and it requires a national solution.

An additional 12 percent of Medicare beneficiaries purchase an independent medigap policy with prescription drug coverage and coverage of other gaps in Medicare. Only three of the ten standard medigap benefit packages even include insurance for prescription drugs. These plans are difficult to obtain, because even the most generous companies refuse to cover all people who walk in the door.

They fear that only those who urgently need the coverage will sign up, so the plans contain escape clauses that exclude applicants with pre-existing conditions. Even if they decide to issue a policy, often there are no limits on what these private companies can charge. As a result, medigap plans with drug coverage are often out of reach for senior citizens. For those fortunate enough to obtain the coverage, the benefits are limited and the costs are high.

Another 10 percent are Medicare beneficiaries are eligible for coverage under Medicaid. This coverage is an important part of the safety net for our poorest elderly and disabled citizens, but it offers no help to the vast majority of senior citizens.

Finally, a third of all Medicare beneficiaries have reasonably comprehensive coverage through a retiree health plan. These plans, which are offered through their former employers, supplement Medicare, and the prescription drug benefits are often generous. But increasingly, retiree health benefits are on the chopping block as companies cut costs by reducing health spending.

Despite Medicare's lack of coverage for prescription drugs, their misuse results in preventable illnesses that cost Medicare as much as \$16 billion annually, while imposing vast misery on senior citizens. It is in our best interest, and in the best interest of Medicare, to reform it in ways that encourage proper use and minimize these abuses.

Savings can be achieved when physicians and pharmacists are better educated on the needs of senior citizens and the potential problems they face in obtaining and using their medications.

Savings can also be achieved when senior citizens are assisted in learning

how to follow the instructions that are dispensed with their medications. Too often, patients shortchange themselves. They take half doses or try to stretch out their prescription to make it last longer. This is wrong, and it doesn't have to happen. If elderly patients know that the drugs they need will be affordable, compliance will improve, and so will their quality of life.

President Clinton has correctly identified prescription drug coverage as one of the very highest priorities for Medicare reform. I hope we can reach a broad bipartisan consensus in the coming weeks that any Medicare reform worth the name will include coverage of prescription drugs. The health and financial security of millions of senior citizens depend on it, and we owe it to them to act as soon as possible.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPEACHMENT AND THE CONSTITUTION

Mr. DORGAN. Mr. President, I wanted to call the attention of my colleagues to a piece that was written by our distinguished Senator from West Virginia, our colleague, Senator BYRD, that appeared in today's Washington Post entitled "Don't Tinker With Impeachment."

The reason I want to do that is there are discussions occurring now, according to some of my colleagues and accounts in the newspaper and on television, about trying to create a mechanism to require a vote in the Senate during the impeachment trial on the findings of fact prior to a vote on the articles of impeachment themselves.

I was just looking at the Constitution in our Senate manual, and, of course, article III in the Constitution establishes the basis for impeachment, and it is simple, direct and provides nothing of the sort that would lead Senators to believe that they can bifurcate the vote in the Senate in an impeachment trial first to findings of fact and have a majority vote on findings of fact and then to move toward a vote on the two articles of impeachment that are currently in front of the Senate.

But I think the article written by our colleague, Senator BYRD, provides the best description of the difficulty with these findings of fact. Let me read just a few comments, and I ask unanimous consent to have the article printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. DORGAN. Mr. President, the article, in part, by Senator BYRD says: